



ENTERED
01/15/2015

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**IN RE:
JULIET GP, LLC
Debtor(s)**

§
§ **CASE NO: 07-36426**
§
§ **CHAPTER 7**

ORDER FOR SUPPLEMENTAL PLEADING

The Trustees seek to compromise claims against Lawrence Ramming, Arcoa LLC, Arcoa Advisors, LLC, Arco Partners, L.P., Arcoa Funding, LLC, Arcoa Investment Advisors, LC, Arcoa Investments Management Group, LLC and Arcoa Properties, LLC.

The motion to compromise must be supplemented as follows:

1. The principal benefit that is alleged from the settlement is the release of claims against the Estates. The release of claims against the Estates is only meaningful if the Estates would otherwise expect to pay a significant dividend on the to-be-released claims. The motion must be supplemented with an explanation of the economic benefit of the release of the claims.
2. The motion alleges that a cash settlement of \$17,500.00 is agreeable because the Trustees have concluded that Mr. Ramming "has limited liquid assets" from which a judgment could be collected. That statement, standing alone, does not indicate whether any judgment would be collectible. The Trustees must supplement the pleading with an analysis of the amount that could be collected from both liquid and illiquid assets. Moreover, no analysis is given with respect to the assets owned by the entities who are also defendants in the litigation. The Trustees must supplement the pleading with an analysis of the amounts that could be collected from the entities.
3. The Trustees allege that a lengthy trial could be avoided by the settlement. The motion should be supplemented by an analysis of the benefits of avoiding a lengthy trial. If counsel is compensated on a pure contingent fee basis, the Court does not understand why this is a factor that should be considered in analyzing whether to approve the proposed compromise.

SIGNED **January 15, 2015.**


Marvin Isgur
UNITED STATES BANKRUPTCY JUDGE